REAL ESTATE COMMISSION

Professional & Vocational Licensing Division Department of Treasury & Regulation State of Hawaii

MINUTES OF MEETING

Date:

Tuesday, August 28, 1962

Place:

Public Utilities Hearing Room, 313 So. Beretania St., Honolulu 13,

Hawaii

Present:

Aaron M. Chaney Dorothy S. Ahrens William A. Beard Yukio Kashiwa

Robt E. Bekeart, Executive Secretary Arthur S. K. Fong, Deputy Attorney

General

Andrew Ono, Deputy Attorney General

Jack K. Palk

Absent:

Erling P. Wick, excused

Call to

Minutes:

The meeting was called to order by the Chairman, Mr. Chaney, at 8:45 a.m.

<u>Order:</u>

UPON MOTION the Commission approved the minutes of the July 21, 1962 subject to the correction that Mr. Beard and Mr. Wick were present.

Motion passed unanimously.

Financial Report:

Commission reviewed Financial Report for the month of July ending July 21, 1962 and found it to be unsatisfactory.

UPON MOTION the Commission ruled that the Executive Secretary shall contact the departmental fiscal officer and seek a more understandable report. The commissioners are of the opinion that this report is inadequate and directed that a more complete breakdown be given of the Collections and Expenditures, particularly the latter in such subjects as personal services, current expenses and equipment.

MOTION passed unanimously.

Hearing:

The Chairman reviewed the Monday, August 27, 1962 telephone call he received from Mr. Axel Ornelles, attorney for James L Humpert, Oliver Kinney, Donald Troxell and Kay Martin, complainants against Chad Dunstan, broker Counsel advised the Chairman that there was an agreement with respondent's attorney, Mr. Louis B. Blissard, not to proceed with the case now pending before the Commission.

The commissioners heard the advisement from the Deputy Attorney General Fong that if the Commission felt this matter necessitated a hearing then it should be heard. He was of the opinion that there are sufficient grounds in the complaint to proceed.

UPON MOTION the Commission ruled that a letter be sent to complainants' counsel advising him to suspend, modify or withdraw the complaint. Further the Commission directed the Executive Secretary to proceed with the investigation, subpoena necessary parties, papers, worksheets and documents and set the matter down for a hearing unless word is received from the complaints' attorney within 10 days, withdrawing the charge.

MOTION passed unanimously.

Business Out of Minutes:

Chapter 170, Rules and Regulations

The Executive Secretary reported that he has had one opportunity to confer with Special Deputy Attorney General Rogers Ikenaga on formulating substantive rules and regulations to be presented to the Commission. Mr. Bekeart stated that a program had been established with the attorney to review proposed regulations and present a workable format for commissioners' study.

Administrative Procedures Act (Act 103)

The Executive Secretary reported that Mr. Andrew Ono, Deputy Attorney General, had been assigned as counsel to the Department of Treasury and Regulation. Mr. Bekeart related to the members the events of a recent meeting Mr. Ono had with the executive secretaries of all boards and commissions where a deadline of October 5, 1962 had been established to have drafts of Practice and Procedures Rules and Regulations formulated.

New Corporations, Partnerships and DBA Licenses

UPON MOTION the Commission ruled that those licenses tentatively authorized by the Executive Secretary for:

```
HOMERICA, Inc. - - - H. Dickey Thacker, Principal Broker
PAUSADES REALTY - - - Harold Kometani, " "
FELZER & BEAMER, REALTORS - - Milton Beamer, Principal Broker
MID-PACIFIC REALTY - - Maxine McLean & Robert McLean
```

be issued with the Commission confirming the administrative action.

MOTION passed unanimously.

Subdivision Registrations

Twelve subdivisions have been registered with the Commission since the July 31 meeting. Registrations are on file for:

TEXAS RANCH-HAWAII SUBDIVISION HAHAIONE VALLEY SUBDIVISION, UNIT 2-A

Page 3 Minutes of Meeting of August 28, 1962

KAMILOLOA SUBDIVISION, TMK 5-4-06: 27
KUAKINI HEIGHTS SUBDIVISION
KNP ENTERPRISES, LTD. SUBDIVISION
HILO COUNTRY CLUB ESTATES
MAKIKILO CITY - UNIT 11 SUBDIVISION
ENCHANTED HILL ESTATES - UNIT 111
WALALUA TERRACE SUBDIVISION
KAMILOLOA SUBDIVISION - FILE PLAN NO. 788
KEAPUKA TRACT - UNIT 1-C
SALTON CITY SUBDIVISIONS

UPON MOTION the Commission directed the Executive Secretary to accept the above registrations and notify the subdividers accordingly.

MOTION passed unanimously.

Condominium Registrations

No questionnaires have been filed on new projects since the last meeting, however, the Executive Secretary had issued -- Final Reports on Kaiser Hawaii-Kai Condominium Projects under our REGISTRATIONS NOS. 6 and 7

The Chairman reported that Mr. Clair de Vault, coordinator for "1001 WILDER" condominium, had presented Architect Bauer's expanded plans on the project and inferred that the attorney for the project would shortly file a request with the Commission for a Final Public Report.

UPON MOTION the Commission directed the Executive Secretary to proceed with the final report upon receipt of counsel's material. The commissioners suggested that the architect should submit a statement in writing to the effect that the plans as presented would not be changed except for minimum re-arrangement of walls and any such changes or modifications would be reported to the Commission.

MOTION passed unanimously.

Reciprocity

The Chairman reported on the poll taken of commissioners on the Honolulu Realty Board's Reciprocity Committee proposed changes to the licensing statute. He believed that the members shared his concern that under the language presented in the Board's modification there was not enough attention given to protecting the public from the out-of-state broker. The Commission is of the opinion that the proposed change should include a system for establishing the active status of a broker from another state, his standing in his parent jurisdiction and further, that the Hawaii broker should be held accountable for his actions in this state.

Page 4 Minutes of Meeting of August 28, 1962

UPON MOTION the Commission directed the Executive Secretary to relay this concern to the Committee on Reciprocity when he sits with them at their next scheduled meeting.

MOTION passed unanimously.

1962 DIRECTORY of Licensed Real Estate Brokers and Salesmen

The Executive Secretary reported that the Professional and Vocational Licensing Division is bringing real estate licensee records up to date and will shortly be proceeding to the assembling all registration information for a publication similar in form to the July 1961 Roster of the State Board of Registration of Professional Engineers, Architects and Land Surveyors. An estimated cost of between \$500 - 600 for the publication was given by the administrative officer.

UPON MOTION the Commission urged the Executive Secretary to proceed with the publishing of the directory.

MOTION passed unanimously.

Dissolved Real Estate Corporations

The Executive Secretary introduced the fact that information has been received showing several real estate firms are to be dissolved. Among those firms that have failed to file an annual exhibit for a period of two years are:

The Monitor Management Company, Limited The Multiplex Mortgage Company, Limited Nosako-Gondo Realty, Ltd. Frank Ponce Company Real Estate Sales Clearing House, Inc. Howdy Reynolds, Ltd. Rota Co., Ltd

Mr. Bekeart reported that a procedure will be set in motion to have real estate licensees concerned in above action to come in for a conference on status of respective firms.

1963-64 Real Estate Commission Budget

The Division Administrator has advised the Executive Secretary that budget projections for 1963-64 are to be compiled and submitted not later than September 5, 1962. This budget estimate should refer to mainland and interisland travel, per diem, association dues and such authorized expenditures.

Page 5 Minutes of Meeting of August 28, 1962

NATIONAL CONFERENCE ON INTERSTATE LAND SALES - October 1-2, 1962, San Francisco

The Commission discussed the objectives of this conference and considered the importance of Hawaii being represented at this meeting which the NATIONAL ASSOCIATION OF LICENSE LAW OFFICIALS is co-sponsoring.

UPON MOTION the Commission ruled that Mr. Palk should represent the State of Hawaii at this Conference. The Executive Secretary was directed to proceed with the necessary administrative details.

MOTION passed unanimously.

Howard A. "Howdy" Reynolds

The Executive Secretary reported that Mr. Reynolds had requested in his July 27 letter permission to open a small office in Hawaii to service his operation of selling Kona lands.

UPON MOTION the Commission ruled that Mr. Reynolds' request be denied.

MOTION passed unanimously.

Charles E. Ring and Dorothy Ring

The Chairman reported on a conference he and the Executive Secretary had with Mr. Ed Bolles on the failure of the Rings in the June 30, 1962 salesman examination The Commission reviewed the performance of the two applicants in the February 17 and June 20, 1962 examinations.

UPON MOTION the Commission ruled that no further consideration could be given the applicants and that the record stand that they had failed to qualify.

Characteristics and Performance Study

The Commission studied the August 28, 1962 memorandum prepared for the Chairman by Professor Donald W. Bell. The paper reviewed the recent action taken by government officials on the proposed study and requested that the Commission make a policy decision on proceeding with the planned evaluation of the operations of real estate salesmen, brokers and firms.

UPON MOTION the Commission ruled that proposed study be considered an active part of the commissioners educational program and ways be explored to see that funds authorized be utilized for the purpose of commencing the initial phases of the project.

Page 6 Minutes of Meeting of August 28, 1962

MOTION passed unanimously.

34TH ANNUAL NALLO CONFERENCE

The Chairman brought the members up to date on planning for the October conference The business sessions were carefully reviewed and suggestions for social functions and entertainment were discussed. The proposed five day conference program was studied by all and there was agreement that it appeared acceptable.

Date of Next Meeting

Date of next meeting was set for 9:30 a.m. Tuesday, September 18, 1962 in Conference Room No. 1, 313 So. Beretania Street, Honolulu 13, Hawaii.

Adjournment:

There being no further business to transact, the meeting adjourned at $12.50 \, \text{p.m.}$

Aaron M. Chaney Chairman